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The Northern Exemption Review

A report on public consultations into a *Labour Standards Act* regulation affecting Saskatchewan workplaces north of Township 62.

The Regulation, sections 7(1) and 7(2) (d), exempts certain workplaces from Section 6 (Hours of Work and Overtime Pay) and Section 12 (Right to Refuse Overtime) of The Labour Standards Act.

Submitted by
Ron Harper
Member of the Legislative Assembly
Regina Northeast

February 2007

Letter of Transmittal

February 2007

To the Honourable Lorne Calvert
Premier of Saskatchewan

I'm pleased to submit my report on my public consultations into the Saskatchewan *Labour Standards Act* Northern Overtime Exemption regulation.

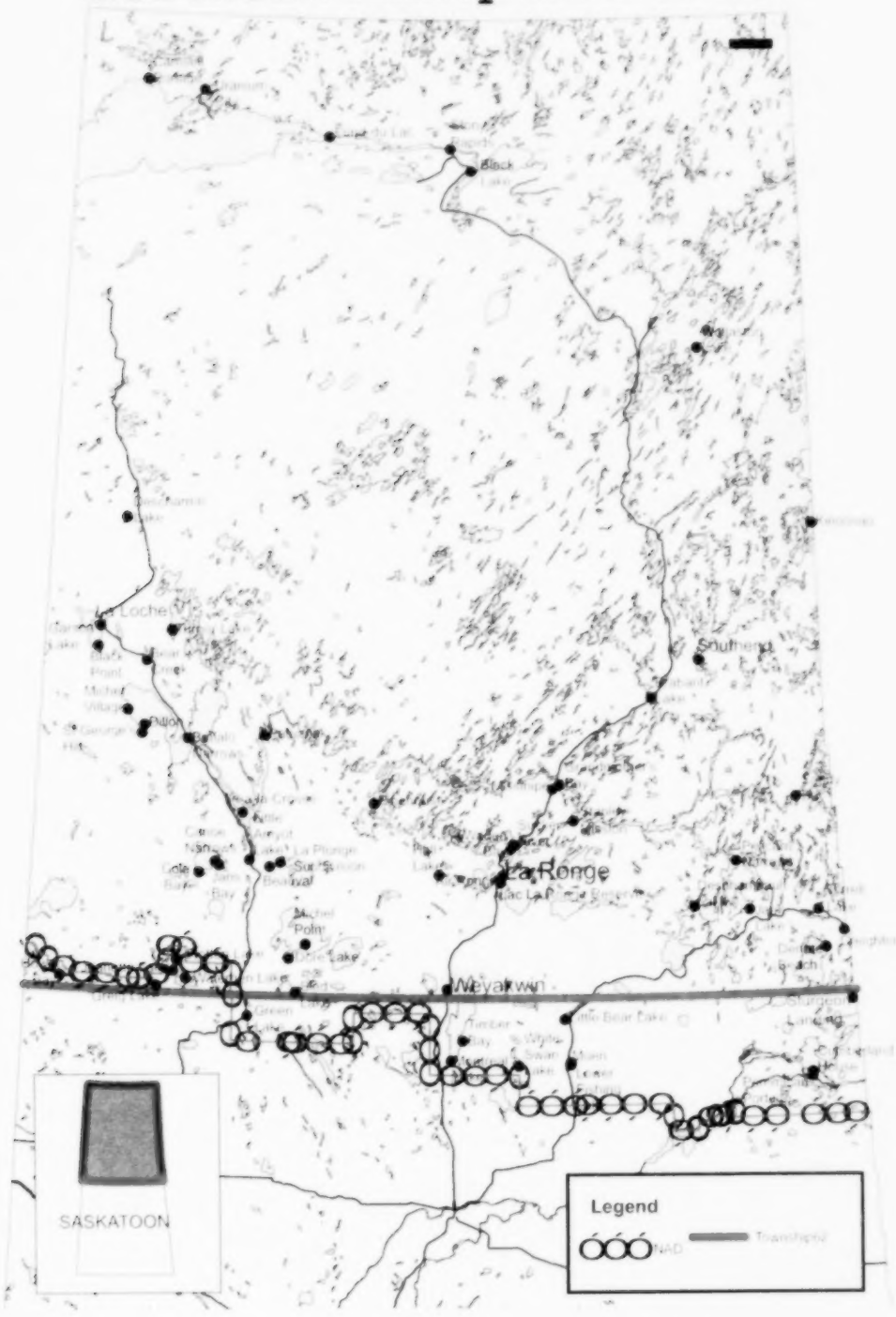
In my report, I've gathered together the opinions of numerous individuals, organizations and businesses. The consultations elicited a range of viewpoints which I have taken into consideration in formulating my observations and recommendations.

Thank you for this opportunity to travel Saskatchewan, especially our northern communities, and hear many views on this important labour standards issue.

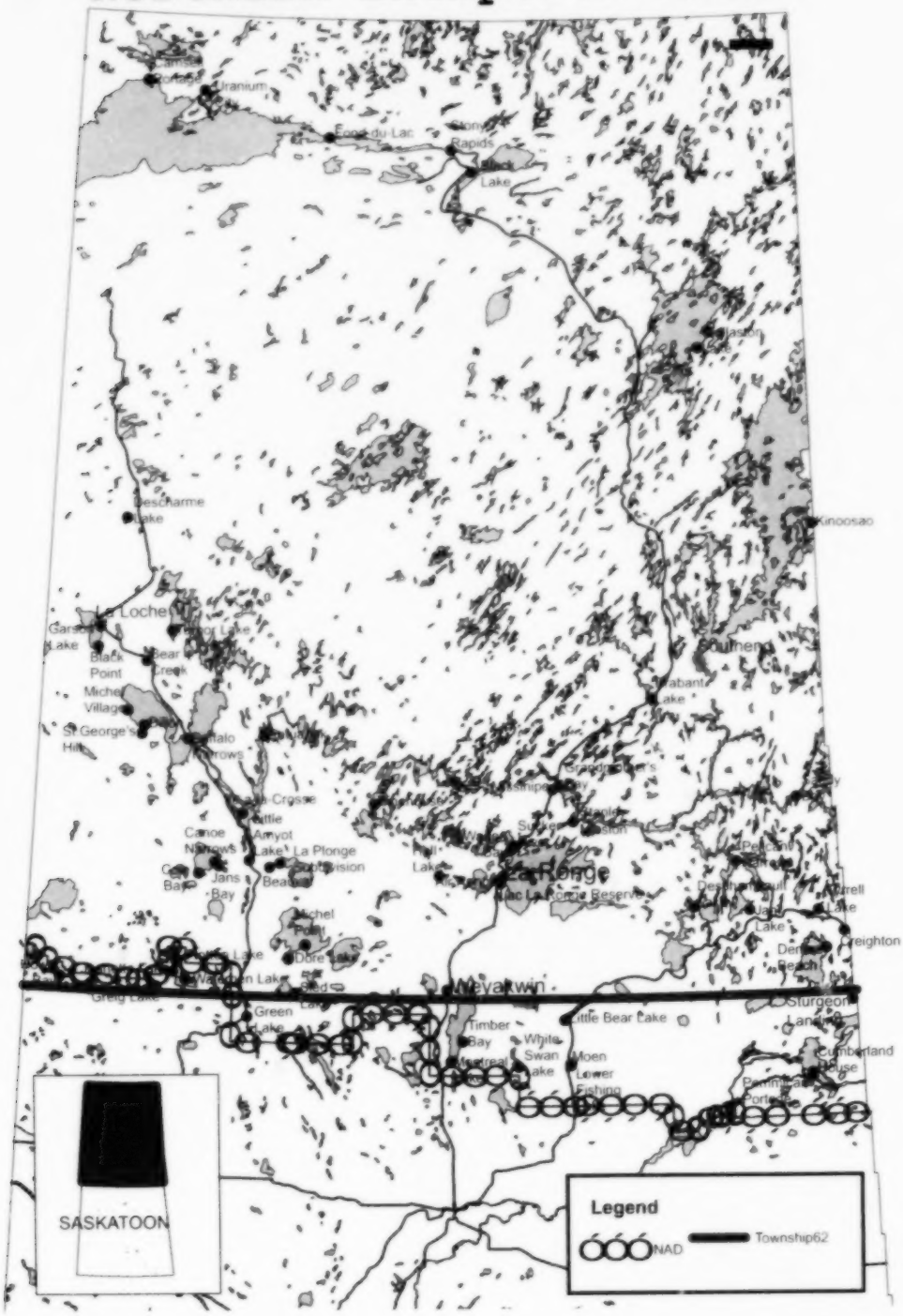
Respectfully submitted

Ron Harper, MLA
Regina Northeast

Northern Exemption Area



Northern Exemption Area



Acknowledgements

Many resources are called on to fulfill the task of conducting public consultations on an issue. The talented people who work in support of a consultation exercise do so largely unseen by the general public who participate.

Assisting me with the Northern Overtime Exemption Review (the Review) was a most capable team of officials – brought together for this task by Saskatchewan Labour ADM Jim Nicol – who work at the Departments of Industry and Resources, Labour, and Northern Affairs.

This expert team provided background information, logistical support, sound advice and encouragement at every stage of the Review. Without their assistance, this Review would not have been possible.

With the exception of my fly-in visits to the communities of Stony Rapids, Fond du Lac, Uranium City, Black Lake First Nation, as well as Wollaston Lake and Points North en route to AREVA Resources' mine at MacLean Lake, the Northern Overtime Exemption Review consultations involved travel by road across northern Saskatchewan. In every community, we were welcomed by the residents who offered their views, always with passion and insight, on the Northern Overtime Exemption.

Much credit for the warm reception I received everywhere must go to Willie Billette with the Department of Northern Affairs office in La Ronge. Willie accompanied the Review as we travelled around northern Saskatchewan. His presence brought me into contact with many people, including northern leaders, who came forward to share their thoughts.

On our visit to the Lake Athabasca communities we were joined by Rusty Gardiner, Northern Affairs' manager for Athabasca. His knowledge of economic activity in the Athabasca Basin helped us to better understand the North.

From the outset Norm Bright assisted me. His perspectives, research and writing talents, and lengthy experience and interest in public affairs, helped me finalize this report.

Ron Harper, MLA
Regina Northeast

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Executive Summary

Saskatchewan labour standards are universal in application, covering employers and employees within the jurisdictional domain of the province. Our labour standards laws are similar to other statutes across Canada. They include minimum wages, collection of unpaid wages, equal pay, leaves such as maternity, parental, adoption and bereavement, annual holidays, public holidays, termination, weekly day of rest, meal and rest breaks, and others. As in other jurisdictions, a few occupations and sectors are excluded from parts of Saskatchewan's *Labour Standards Act.*

The geographic exclusion known as the Northern Overtime Exemption (the exemption) – unique to Saskatchewan – is an exception to the universality of standards. This exemption nulls sections 6 and 12 of the Act for most provincially regulated work activity in Saskatchewan north of Township 62 (see map). Uranium City, Creighton, and La Ronge are not included in the exemption. Both sections of the Act apply in these three communities.

Section 6 of *The Labour Standards Act* establishes the eight-hour workday and 40-hour workweek. This section also obliges payment of an overtime premium of time and a half regular earnings for hours worked in excess of the standard workday or workweek. Section 12 is the right to refuse overtime work. Overtime work may be refused if 44 hours have been worked in a week, except in an emergency circumstance. Employer reprisals for refusing overtime are not permitted under section 12.

The Review held town hall meetings in several northern communities. At these meetings, participants frequently described the Northern Overtime Exemption as systemic racism and a violation of human rights that targets Aboriginal people. Frustration and impatience were expressed. Just get rid of the exemption, town hall participants often said.

Many northerners know little about the Northern Overtime Exemption. This is coupled with a general unfamiliarity with other labour standards protections. I was told that northern workers, often unaware of their labour standards rights, face intimidation and exploitation by employers. Long workdays – at straight time wages – are seen as normal and acceptable in the North.

While town hall participants scorned the exemption, they are optimistic about the opportunities that lay ahead for northerners. I heard support for the many northern development activities now underway or being proposed. Still, fears persist that if the Northern Overtime Exemption stays, some northern workers will not earn their full share of the gains and serve instead as a source of cheap labour for investment.

Many noted that the absence of the overtime premium already affects the northern labour market with workers being drawn to jurisdictions such as Alberta where the overtime premium is part of the remuneration package. From a consumer perspective, elimination of the exemption is seen as a benefit. Overtime earnings would help offset the high cost of goods and services paid by northern consumers.

While a high level of support was voiced at my town hall meetings for eliminating the exemption, questions were raised about possible consequences. Some First Nations expressed concern about the impact of overtime pay on their budgets. I was warned that eliminating the exemption would

force some businesses to reduce hours of service to customers. My Review was asked if northern local government can expect additional provincial funding to meet any additional costs that may result from eliminating the Exemption. Others are convinced that the exemption is a cost advantage that stimulates northern economic development.

The strong views voiced at the town hall meetings reflect the passionate belief of many that the exemption is a wrong that the Premier should make right immediately so that northern people are treated – and paid – the same way.

In addition to town hall meetings, the Northern Overtime Exemption consultations received oral and written stakeholder presentations. These are discussed elsewhere in this report and summarized in the addendum. Since the last review of labour standards in 1994-95 new organizations and associations have formed in northern Saskatchewan. New North, for example, is a vocal proponent of eliminating the exemption. More recently, the Athabasca Economic Development and Training Corporation called for repeal. They join organized labour that historically has opposed the exemption's existence.

While leading business groups like the Saskatchewan Chamber of Commerce, Canadian Federation of Independent Business (CFIB) and the mining industry strongly favour continuation of the exemption, some in the business community acknowledge that the exemption has led to abuses. Many, but not all, business voices recognize that averaging of hours permits can adequately address the North's unique work scheduling needs.

Recommendation 1

Eliminate sections 7(1) and 7(2) (d) of the Labour Standards Regulations, 1995 (Northern Exemption) without delay.

Northern workers overwhelmingly wish to be treated fairly and enjoy all the labour standards protections that are currently afforded to those working outside the Northern Exemption area. Labour standards in the North must be aligned with the rest of the province. It is socially divisive and no longer acceptable to have a two-tiered structure that lets a northern worker legally be denied the standard workday of eight hours and a workweek of 40 hours, earn an overtime premium for excess hours worked, or refuse unwanted overtime work.

Both workplace parties recognize that the averaging of hours permit system is a flexible *Labour Standards Act* option that will satisfy the North's unique work scheduling needs for most, if not all, employees and employers.

Recommendation 2

Establish a labour standards office in La Ronge with at least two officers. The officers will provide public education on all aspects of labour standards to employers and employees. Expand staff duties to include monitoring and compliance responsibilities upon completion of the initial public education phase.

Workplaces in the Northern Overtime Exemption area will benefit from a transition period that allows both employers and employees to adapt to sections 6 and 12 of *The Labour Standards Act.* A comprehensive public education program will help minimize adjustment difficulties and, in addition, raise awareness of other labour standards obligations.

Initially, public education will be the main duties of the two officers, including visiting communities to host workshops. Program material should be provided in three languages: English, Cree and Dene.

Recommendation 3

Treat fishers and trappers as primary producers (traditional family farm) under *The Labour Standards Act.*

These sectors are mainly small family operations, or individuals. Section 6 (hours of work) and section 12 (right to refuse overtime) are not pertinent to these seasonal activities. Individuals engaged in trapping and fishing should be treated under *The* ***Labour Standards Act*** in the same fashion as the traditional family farm.

Recommendation 4

Grant a province-wide regulatory exemption to sections 6 and 12 of *The Labour Standards Act* to outfitters.

Outfitting is one of Saskatchewan's most important tourism activities. Outfitters and their employees must maximize earnings within a short season. Camps in remote northern locations would face operational challenges adopting a standard or modified work schedule.

The provinces of British Columbia and Ontario exempt – through labour standards regulations – hunting and fishing guides from statutory hours of work and overtime provisions. Regulations in Manitoba and Alberta do not exempt hunting and fishing guides.

The Northern Overtime Exemption Review recommends that outfitting receive a general, province-wide exemption from sections 6 and 12 to recognize the sector's seasonal nature and its unique work and remuneration arrangements.

Recommendation 5

Maintain and publicize existing *Labour Standards Act* provisions. Compressed workweeks, averaging of hours permits and other variances, provide sufficient flexibility to accommodate northern Saskatchewan's unique work scheduling needs. No further statutory or regulatory exemptions – occupational or sectoral – are required beyond those recommended above.

Options under the Saskatchewan *Labour Standards Act* currently allow modified work schedules. Three are especially suited for the North's unique work scheduling needs. These are the averaging of hours permits under section 7 (compressed workweek) and section 9 (permits) and the weekly Day of Rest exemption set out in section 13. Most averaging of hours applications qualify for approval by Saskatchewan Labour. Annually, about 600 averaging permits are issued.

Many northern employers already operate with shift arrangements that meet averaging of hours criteria. Some already have experience with section 7 and 9 permits because they also have operations situated outside of the Northern Overtime Exemption area.

Some northern employers will be bound by contractual arrangements that may extend beyond the set date for compliance with sections 6 and 12 of *The Labour Standards Act*. This requires monitoring and may require attention on a case-by-case basis.

Northern Exemption Consultations

Shortly after Premier Calvert announced (May 05, 2006) the Northern Overtime Exemption Review, Saskatchewan Labour hosted a series of organizational meetings. Led by Saskatchewan Labour, officials from the Departments of Northern Affairs, Industry and Resources, and First Nations and Métis Relations met to plan and map out their inter-department support.

The working group approved plans to publicize the Review. An extensive list of stakeholders with an interest in the issue was assembled by merging departmental stakeholder contact lists. Saskatchewan Labour, the department responsible for *The Labour Standards Act*, supplied a variety of background documents to assist me.

My first opportunity to speak to northerners on this assignment came on June 13 when I flew to La Ronge to speak to a Northern Labour Market Development Committee meeting. Many attendees approached me to offer their views.

A Northern Overtime Exemption website was created. It featured background information on the issue, a question and answer section, and a map depicting the exemption area. A list of public meetings was posted. People and organizations interested in participating had several options. A toll-free telephone number was available along with email and mailing addresses. For northerners unable to attend a public meeting the website offered an opportunity to participate. Many did so by using the website.

www.northern.gov.sk.ca/northernexemption

To maximize its exposure, the Northern Exemption website was linked to the websites of the Departments of First Nations and Métis Relations, Northern Affairs, Industry and Resources, and Saskatchewan Labour.

Immediately after the Canada Day long weekend, a stakeholder letter and fact sheet were mailed to more than 100 organizations and enterprises deemed to have an interest in the Northern Overtime Exemption.

An ambitious town hall community meeting schedule was organized. Over a four week period in August and September, my Review visited many northern communities (see appendix).

My aim was to involve as many northerners as possible in the Review. Advertisements were purchased in community newspapers and three Saskatchewan dailies. Advertising was also placed with broadcasters such as Missinipi Broadcasting Corporation. Many northern communities in Saskatchewan are also served by local community radio stations. I took the opportunity to visit their studios for interviews with local program hosts.

The northern news media followed the consultations closely. As a result, several interviews with broadcast and print journalists occurred during and after the public meeting phase.

The Missinipi Broadcasting Corporation followed this story with much interest. That resulted in several news stories and broadcast interviews with this major northern media outlet that broadcasts in Cree, Dene and English to dozens of northern communities.

In the print media, I was interviewed by reporters from the Meadow Lake Progress, La Ronge Northerner and Opportunity North magazine. The news releases issued by Saskatchewan Labour successfully generated other news coverage.

Prior to most community town hall meetings, a poster describing the Northern Overtime Exemption was distributed for placement on local bulletin boards. The poster invited local residents to attend a meeting and participate in the Review.

While the town hall meetings were, arguably, the most visible aspect of the Northern Overtime Exemption consultations, these community visits also presented me with many opportunities to engage in informal discussions with local residents and leaders. These conversations were a source of immense insight into the views held by residents on the exemption.

Although the exemption directly affects many northern workplaces, many organizations and businesses in the 'South' have an interest in the Northern Overtime Exemption.

As anticipated, a number of participating stakeholder organizations preferred to convey their views outside of the public meetings. I met with several stakeholders in Regina. For others, I journeyed to Saskatoon and Prince Albert to hear their views in person.

No one was denied an opportunity to meet me and be a Northern Exemption Review participant.

Role and Purpose of Labour Standards

> "The need for decent labour standards has preoccupied employers and workers, economists and philosophers, regulators and concerned citizens for over two centuries… there have always been significant debates over which workers are entitled to what kind of protection, over precisely what standards are "decent," over how such standards can be maintained while preserving and enhancing the efficiency and profitability of enterprises, over what roles the state and the workplace actors ought to play in setting and enforcing decent standards, and over the use of legislation to promote optimal conditions of work, rather than just minimum decent standards." – Fairness at Work, Federal Labour Standards for the 21st Century, Federal Labour Standards Review final report by Commissioner Harry Arthurs, October 2006

Workers and Labour Standards

The key purpose of labour, or employment, standards is to establish and safeguard, by law, an employee's right to fair and equitable employment conditions. As basic workplace rules, standards are the foundation for a wide range of employer obligations and employee rights.

Standards, by design, exist to provide all workers with basic contemporary safeguards to balance work and family life, protect personal safety, and allow the earning of a decent living under reasonable conditions.

The list of fundamental labour standards protections is lengthy and broad in scope. It includes statutory holidays, various absences such as annual vacation and bereavement and family leave, minimum wage, equal pay, weekly day of rest, maximum hours of work and overtime pay for excess work hours. Saskatchewan labour standards can be viewed on the Saskatchewan Labour website at:

www.labour.gov.sk.ca/standards/index.htm

As public policy, standards help provide economic security to non-unionized workers who may be at a disadvantage and vulnerable within the workplace relationship. Thus, standards are especially important to those workers least able to negotiate decent working conditions with their employer.

"The main object of labour law has always been, and we venture to say, will always be, to be a countervailing force to counteract the inequality of bargaining power which is inherent and must be inherent in the employment relationship." – International Labour Organization Institute.

Standards protect the interests of employees regardless of their status as part-time, full-time, hourly-paid, salaried, unionized or non-unionized workers. They represent society's general desire, expressed by legislatures, to provide minimum labour rights to workers as a floor below which employers cannot go.

Worker-protection laws and regulations guarantee certain working conditions for all workers and prohibit certain employer practices. As the Ontario Task Force on Hours of Work and Overtime (1987) stated these rights "must have the universality of a public right," enforced by law and having precedence over individual agreements between employer and employee, and over contracts or collective agreements, all of which may feature less advantageous conditions from the worker perspective.

Employers and Labour Standards

Labour standards go beyond protecting workers. For employers, strong and enforced standards help reduce unfair competition by establishing a 'level playing field.' Gaining advantage by lowering labour costs in a 'race to the bottom' is more difficult for the irresponsible employer. When adequate labour standards are present and observed, the workplace is more harmonious and productive.

> "All the main social actors benefit from a set of minimum standards of employment. Workers' well being is protected and in turn employers find that workers who believe they are treated fairly are more productive: absenteeism and turnover rates are lower. A floor set of standards also provides a level playing field, so that fair employers cannot be undercut by those offering substandard terms of employment." – New Approaches in Achieving Compliance with Statutory Employment Standards, Canadian Policy Research Networks (2006)

High labour standards need not be viewed as financially burdensome. In Fairness at Work, the final report (2006) of the Canada Labour Code Part III review, Commissioner Harry Arthurs said, "It is widely accepted that high labour standards and high performance workplaces often go hand in hand."

Evolving Labour Standards

Working time is regulated in most countries. The number of hours that workers are expected to work on a regular basis is defined and known as the 'normal' or 'standard' workday and workweek. Regulations also limit the total number of hours and set restrictions on how work hours are scheduled.

Compensation for work hours in excess of the 'normal' workday and week are regulated by setting a rate and a threshold. Policies regulating rest are also commonplace. Statutory rest breaks within the workday and the workweek foster safety and provide leisure time.

Until the late 19th century, employment conditions in Canada were largely left to individual employment contracts. Legislated minimum standards – Factories Acts – began appearing in the early 1900s. They were aimed at protecting society's most 'vulnerable' employees, women and children.

In Saskatchewan, the 1909 Factories Act set limits on working hours for women and restricted the use of child labour. A decade later, the Minimum Wages Act set a wage floor and a 48-hour workweek for women employed in shops and factories in the cities.

During the 1930s, most Canadian provinces adopted new legislation or amended existing minimum wage legislation to regulate the normal weekly or daily working time of all wage earners. The eight-hour day soon became standard and the typical workweek was reduced from six days to five and a half days.

Over the 1950s and 1960s, collective bargaining and company practices resulted in the adoption of the standard eight-hour workday and 40-hour workweek in many Canadian workplaces.

In 1969, the Saskatchewan legislature passed *The Labour Standards Act*, merging several existing employment law statutes.

Employees' Wages Act
Minimum Wage Act (1919)
One Day's Rest in Seven Act (1930)
Weekly Half Holiday Act (1931)
Annual Holidays Act (1944)
Hours of Work Act (1947)
Equal Pay Act (1952)

The federal government, in 1965, introduced the eight-hour day and 40-hour workweek for federal workplaces. In 1971, Saskatchewan became the first province to legislate a 40-hour week, reducing the 44-hour urban workweek by four hours and the rural workweek by eight hours, from 48 to 40 hours. (The overtime premium of time and half regular hourly earnings was set out in the Act respecting Hours of Work, 1947.)

International Standards Conventions

The International Labour Organization (ILO) is a tripartite organization with representation from governments, employers and workers. The ILO adopts Conventions setting guidelines for, among other things, normal working time, weekly rest and the scheduling of work time. Conventions cover all workers. Some Conventions deal with specific categories of workers, such as night workers.

The first ILO Convention, adopted in 1919, defined the normal working day as eight hours and the normal working week as 48 hours. This Convention was ratified by 52 nations.

In 1930, a new Convention allowed this 48-hour week to be averaged over three week periods as long as daily working time did not exceed 10 hours. In 1935, the ILO endorsed a shift to the 40-hour week. Only 14 nations ratified this Convention.

An ILO Convention, in 1970, stipulated three weeks of paid holidays. Saskatchewan is the only province meeting the ILO standard of providing three weeks of paid vacation to employees who've completed one year of service. ILO Conventions mandate 24 hours of rest every seven days. Sixty-two countries have ratified weekly rest Conventions; more than any other Conventions relating to working time.

In 1935, Canada ratified the ILO's Hours of Work (Industry) Convention (1919) on the standard work schedule of an eight-hour day or 48-hour week. Canada has not ratified the ILO 40-hour week Convention (1935). Nonetheless, this standard workweek is commonplace throughout Canada.

The 1935 Convention features labour standards in place today, including statutory and regulatory exclusions and exemptions (e.g. management and specific occupations), averaging of hours, and the notion that an emergency circumstance can temporarily override the provision.

Northern Exemption Review
Town Hall Meetings

My Review hosted town hall meetings in larger northern centres and many of the smaller communities situated in the area where the Northern Overtime Exemption applies. Over and over, several themes surfaced.

At the town hall meetings I was frequently told that the Northern Overtime Exemption is systemic racism and a violation of human rights. A participant at the Pinehouse community meeting said the exemption targets Aboriginal people and we cannot hide the fact that the North is mostly Aboriginal.

At the Ile a la Crosse meeting, a local leader said the regulation could be challenged before a human rights commission or under the Charter of Rights. In the spring of 2006, the news media reported that former Member of Parliament Rick Laliberte (who organized a petition campaign to abolish the exemption) planned to personally lodge a complaint with a human rights commission. Mr. Laliberte told the Review he plans to proceed if the exemption remains in place.

Is the exemption, at its essence, systemic racism? It's a question that may only be answered if someone pursues it through the available channels. I have reason to believe a persuasive case could be made.

This strong feeling of discrimination held by the public was often linked to their expressions of frustration and impatience about the need for this Review. More than once, I was questioned on why the Review was taking place at all. Many people bluntly said just get rid of the exemption.

Early in my consultations I realized that some northerners knew little about the Northern Overtime Exemption. Others were unaware of its existence since the 1950s. Further, this lack of knowledge is coupled with a general unfamiliarity about other labour standards protections that northern workers share with workers elsewhere in Saskatchewan. As one town hall participant said, there is a feeling across the North that working long days at straight time wages is normal and acceptable.

One well-known northerner, familiar with the local economy, said northern workers are often ignorant [of their labour standards rights], are intimidated, and exploited by employers. I was told that the Northern Overtime Exemption is known to surface at some northern worksites where workers' entitlement to overtime and the standard workweek is, in fact, protected by sections 6 and 12.

If northerners are not conversant with the labour standards practices that the exemption permits, a great many do know about northern residents employed at construction projects – paid at straight time rates – working along side visiting southern workers earning an overtime premium. The anger, I sensed, is especially directed toward those larger companies who pay no overtime to northern workers.

Many town hall participants expressed optimism about opportunities that lay ahead for northerners. They are supportive of the many development activities now underway or being proposed. But there are fears; fears that if the Northern Overtime Exemption stays, then some northern workers will not earn their full share of the gains.

Does the exemption hinder or encourage investment and growth in the Saskatchewan north? During my Review, I heard opposing opinions on this question. At the town hall meetings, it was said often that so long as the exemption exists, northern workers serve as a cheap source of labour for investment.

Many agreed that the absence of the overtime premium currently affects the northern labour market with workers already drawn to jurisdictions such as Alberta where earnings are higher – and overtime is paid. Others, who see the exemption as a cost advantage, told the Review that it stimulates northern economic development.

The North's skilled workforce shortage is another concern that surfaced. Some suggested that workers from Saskatchewan's 'southern' regions – who might ordinarily take work in the North – decline to do so. Instead they accept work opportunities where an overtime premium is part of their remuneration package.

Attendees at town hall meetings see elimination of the exemption as a benefit to northerners as consumers. Overtime earnings, they feel, are a spin-off that would put more consumer dollars into the northern economy. The cost of essentials and other goods and services is higher in the North. Overtime earnings would help offset the cost of these daily household expenses.

While a high level of support was voiced at my town hall meetings for eliminating the exemption, questions were raised about other possible consequences. Some First Nations told me of their concerns about how overtime pay would affect their budgets. A businessperson in the hospitality sector warned that eliminating the exemption would force some businesses to reduce their daily of hours of service to customers.

Others, knowledgeable in northern local government, wonder if adding an overtime premium to labour costs will push up maintenance and building costs of their community infrastructure. Some worried that projects now in the planning stages might be delayed, or cancelled. My Review was asked if northern local government can expect additional provincial funding to meet any additional costs that may result from eliminating the exemption. The prospect of such extra costs has its skeptics. One northern municipal leader doubted that overtime costs would drive up project costs. He told my Review that he strongly suspects the overtime wage component is already hidden in the bids on northern projects.

Supporters of the exemption often told me that hourly wages in northern Saskatchewan are higher than elsewhere in the province. As a consequence, the North's higher wages should be viewed as a combination of straight time and an overtime premium. This 'blended wage' is difficult to verify and it is not a concept currently recognized in labour standards law.

Lack of compliance was brought to my attention. Some individuals, not conversant with labour standards in Saskatchewan, suggested at my Review meetings that an employer could sidestep the obligation to pay overtime by placing employees on a salary or contractor status.

I was met with strongly held views at my town hall meetings. They reflect the passionate belief held by many that the exemption is a wrong that the Premier should make right immediately so that northern people are treated – and paid – the same way as southerners.

"I hope you do something for the people of the North"
– Town Hall participant, Prince Albert

Positions of Key Stakeholders
Northern WorkWeek / Overtime Exemption

Saskatchewan Outfitters Association

The Northern Exemption Review met twice with Saskatchewan Outfitters Association executive director Hal Stupnikoff. According to the Association, about 300 outfitters in northern Saskatchewan are members. Many northern outfitters operate within the Northern Overtime Exemption area (north of Township 62).

Information provided by the Outfitters Association indicates that about 1,000 fishing guides are employed in the North. About 400 work full-time and average 71 workdays during the short season. Part-time guides, on average, work 29 days. Individuals who work as both fishing and hunting guides work between 150-200 days annually. Camps also employ hosts and serving staff. Combined, part and full-time employees in the northern fishing camps number around 2,000. Northern residents fill many of these positions.

Two members of the Saskatchewan Outfitters Association expressed their support for retaining the Northern Overtime Exemption. Minor Bay Lodge and Outposts on Wollaston Lake said in a letter to the Review that the industry's already difficult operating environment would be harmed by repeal of the exemption. This lodge said its employees work an average of 60 hours over a seven-day period. The season lasts approximately 80 days. With the exemption gone, Minor Bay Lodge and Outposts estimated its wage costs would rise about 30 per cent. Costs would also increase with the hiring of additional employees to conform to a standard workweek. The Review heard that current employees would also object to additional staff as it would reduce each staff member's share of gratuities offered by guests.

A fishing lodge located in the Lake Athabasca region, said in an email that loss of the exemption would price the lodge out of business. This outfitter informed the Review that losing the advantage of the exemption would reduce the number of positions for northerners and potentially affect their entitlement to Employment Insurance over the winter months.

Outfitting is a province-wide industry. About half of Saskatchewan's outfitters – bird and big game outfitters – operate in the southern half of province. As employers, they are subject to the hours of work and overtime pay provisions in *The Labour Standards Act*. Only outfitting camps located north of Township 62 benefit from the Labour Standards regulation known as the Northern Overtime Exemption.

Northern Labour Market Committee

More than 80 agencies representing training, funding, economic development, governments, Aboriginal agencies, and industry sectors in northern Saskatchewan comprise the Northern Labour Market Committee. Currently, the forum is jointly chaired by Saskatchewan Northern Affairs, Athabasca Training and Development Corporation, and AREVA Resources. The Committee meets three to four times annually.

According to its mandate the Committee will:

- Identify labour market, training, and economic development issues emerging in northern Saskatchewan.
- Initiate special projects that are action and results-oriented to address these issues.
- Coordinate and facilitate cooperative planning and actions among agencies.
- Provide a forum in which to exchange information.
- Prepare an annual profile of the labour market and industrial sectors in northern Saskatchewan to assist in program planning.

On behalf of the Northern Overtime Exemption Review, I twice addressed the Northern Labour Market Committee. At a June 2006 meeting, I explained the purpose of the Review. In discussion following my presentation, several attendees spoke in support of eliminating the Northern Overtime Exemption from *The Labour Standards Act.* An attendee observed that repeal of the exemption would ensure that some of the poorest people in the province benefit from their overtime work. A spokesperson for the New North municipal government group reminded the Committee that the New North's 35 northern mayors adopted a resolution in 2005 calling for repeal of the Exemption. The discussion concluded with the Northern Labour Market Committee passing the following motion:

> "That the Northern Labour Market Committee support the elimination of the Northern Overtime Exemption and send a letter to Ron Harper and the Premier requesting that the exemption be rescinded as soon as possible."

I have not received this correspondence. My understanding is that some Committee members are now uncomfortable with this motion.

I accepted an invitation to address the November meeting of the Committee and provided a status report on the Review. My brief remarks generated some spirited calls to abolish the exemption. One attendee, a businessperson, characterized the existence of the exemption as an equality issue – unfair and wrong – and likened it to apartheid in South Africa. Another attendee lamented that the exemption's existence means people living in the North don't have the opportunity to earn the same pay as people who come to the North. I was urged not to side with people who come to the North and want to retain the Northern Overtime Exemption. Another attendee said removing the exemption and obliging the payment of overtime premium pay is rational and beneficial to Aboriginal families and communities.

Northern Development Board Corporation

The Northern Development Board Corporation (NDBC) is funded under the Canada-Saskatchewan Northern Development Agreement. The Corporation and the Agreement were both established as implementation mechanisms in support of Saskatchewan's Northern Strategy. The Strategy includes common goals and objectives adopted by NDBC members and the provincial government in support of social and economic development in northern Saskatchewan.

The Board of the Northern Development Board Corporation is comprised (as of November 2006) of 12 individuals representing five organizations. (Federal and provincial government representatives are ex-officio members of the Board).

Al Rivard	**Métis Nation - Saskatchewan, La Ronge**
Philip Chartier	Métis Nation - Saskatchewan, Buffalo Narrows
George Smith	**Métis Nation - Saskatchewan, Pinehouse Lake**
Dale McAuley	Métis Nation - Saskatchewan, Cumberland House
Gord Stomp	**Saskatchewan Association of Northern Communities, Air Ronge**
Bruce Fiddler	Saskatchewan Association of Northern Communities, Creighton
Glen Strong	**Athabasca Economic Development and Training Corporation, Stony Rapids**
Napoleon Mercredi	Athabasca Economic Development and Training Corporation, Fond du Lac
Don Deranger	**Prince Albert Grand Council, Prince Albert**
Ed Henderson	Prince Albert Grand Council, Prince Albert
Etienne Black	**Meadow Lake Tribal Council, Patuanak**
Eric Sylvestre	Meadow Lake Tribal Council, Turnor Lake

The Northern Development Board Corporation, in correspondence (November 2005) to then Labour Minister Deb Higgins, described the Northern Overtime Exemption as a "double standard that at times discriminates against northern employees." Minister Higgins and the government were urged by NDBC to repeal the Northern Overtime Exemption regulation.

The position of the Northern Development Board is unchanged. Speaking on behalf of a majority of board members, NDBC CEO Dean Desjarlais advised the Review, in October 2006, that the organization supports abolition of the Northern Overtime Exemption.

Peter Ballantyne Cree Nation

Six Peter Ballantyne Cree Nation (PBCN) communities – Kinoosao, Southend, Deschambault Lake, Sandy Bay, Pelican Narrows and Amisk Lake – are located within the Northern Overtime Exemption area.

Peter Ballantyne Cree Nation supports abolition of the Northern Overtime Exemption. In correspondence (February 2006) to First Nations and Métis Relations Minister Maynard Sonntag, Chief Harold Linklater said the exemption "discriminates against workers from the north." The Northern Overtime Exemption Review was told that some contractors use the regulation to 'take advantage' of Peter Ballantyne Cree Nation members.

The PBCN position on the exemption was reaffirmed on August 30 by Pelican Narrows local councillor Stan Merasty at the town hall meeting in Pelican Narrows. Chief Harold Linklater reiterated the PBCN position during a meeting with the Review in La Ronge on September 1, 2006.

Northern Village of Pinehouse

The northern village of Pinehouse, a member of New North, adopted a motion on October 11, 2006, calling for the repeal of the Northern Overtime Exemption:

> "That the Northern Village of Pinehouse has reviewed the Northern Overtime Exemption policy and want it removed to accommodate the people of our northern communities."

On August 31, the Northern Exemption Review held a town hall meeting in Pinehouse, attended by Mayor Mike Natomagan and others. The prevailing view was that the exemption is unfair and targets Aboriginal people.

Citing high unemployment levels in the North, an attendee noted that any job is good, but people should still be treated fairly. Some speakers described the exemption as racist and said that Saskatchewan's Premier, by acknowledging that it's not right, needs to make fair play happen.

Vice-Chief Eric Sylvestre
Meadow Lake Tribal Council

The Review met Vice Chief Eric Sylvestre of the Meadow Lake Tribal Council (MLTC) at Flying Dust First Nation offices. At the September 13 meeting, the Vice Chief said the Northern Overtime Exemption hinders development of the North. Noting that MLTC has members working in Saskatchewan and Alberta (where overtime is paid), he told the Review that Saskatchewan needs to be on par with the rest of the province. Overtime, Vice Chief Sylvestre said, will serve as an incentive for Saskatchewan people to stay and work in the province.

Vice Chief Sylvestre is one of the MLTC representatives on the Northern Development Board Corporation, an organization that supports removal of the exemption.

New North
Saskatchewan Association of Northern Communities

In correspondence (October 2005) to then Labour Minister Higgins, New North described the Northern Overtime Exemption regulation as follows:

> "This regulation…is very discriminatory… [that] only benefits local and southern contractors that hire staff and require them to work a large number of hours and only receive regular wages with no overtime pay. This is totally unacceptable in this day and age. All employees are entitled to receive pay for work performed. Once again the large companies and contractors are benefiting from this Northern Exemption on the backs of workers."

This correspondence was preceded by the passage at New North's annual general meeting (September 08, 2005) of a resolution calling for repeal of the Northern Exemption. The resolution (#3), moved by Buffalo Narrows Mayor Bobby Woods, reads as follows:

> **Whereas:** the Communities of Northern Saskatchewan request a change to the Labour Standard Regulation to eliminate the Northern Exemption regulation on overtime as found in the Labour Standard Regulation.
>
> [Regulation 7 (1) reproduced in original motion]
>
> **Therefore be it resolved:** that New North is to lobby the Minister of Labour to have the Northern Exemption on overtime pay eliminated from the Provincial Labour Standard regulation.

The Review addressed New North's executive committee meeting in September 2006. Members of the New North executive committee voiced a range of views at this meeting. One member observed that retention of the Northern Overtime Exemption means northern Saskatchewan worsens as a pool of cheap labour for investors. Another stated that repeal would have a positive effect by distributing money more evenly throughout the north since the exemption mostly affects low-income northerners.

Others cited possible outcomes arising from the repeal of the exemption, such as hours taken from full-time employees and given to part-time workers, pressure on mining companies to meet higher wage costs incurred by mining contractors, and reluctance of some businesses to locate in northern Saskatchewan because of prospective overtime obligations. The New North executive meeting noted that northern Saskatchewan competes with Alberta for contractors. This puts upward pressure on project bids. As well, the North competes against Alberta for workers where overtime is paid at a rate of time and a half.

New North Communities

Air Ronge	Bear Creek	Beauval	Black Point
Brabant Lake	Buffalo Narrows	Camsell Portage	Cole Bay
Creighton	Cumberland House	Denare Beach	Descharme Lake
Dore Lake	Garson Lake	Green Lake	Ile a la Crosse
Jans Bay	La Loche	La Ronge	Michel Village
Missinipe	Patuanak	Pelican Narrows	Pinehouse
Sandy Bay	Sled Lake	Southend	St. George's Hill
Stanley Mission	Stony Rapids	Timber Bay	Turnor Lake
Uranium City	Weyakwin	Wollaston	

Saskatchewan Mining Association

The Review and a Saskatchewan Mining Association delegation met on October 3, 2006, at Cameco's head office in Saskatoon. Members of the delegation were Philip Reeves, SMA executive director, and representatives from Cameco, Tron Power, and Kitsaki Management. The association prepared a written submission. In addition, the Review received a brief from the president and CEO of AREVA Resources, Don Ching.

The Mining Association believes the remote northern work environment warrants retention of the Northern Overtime Exemption for mineral exploration and mining. The exemption remains, in the Association's view, a valid economic development tool for northern Saskatchewan. If the Northern Overtime Exemption is eliminated, Areva and the Mining Association said they will seek an industry exemption for uranium mining and exploration.

AREVA advised the Review that imposing a standard workweek (eight-hour workday and 40-hour week) on the uranium mining and exploration sector will be costly. For a continuous operation such as mining, introduction of a standard workweek would require a third shift. This larger workforce would require additional site infrastructure (accommodations) and increase air transportation costs. Similarly, the short winter season, remote locations and transportation costs associated with mineral exploration are ill-suited to the standard workweek.

Northern mine sites operate on a fly-in / fly-out schedule. Typically, the work cycle is an 11-hour shift for seven consecutive days, followed by one week at home. Currently, overtime is paid when

production employees work beyond an 11-hour day and 77-hour workweek cycle. Mine site support staff and contractors follow similar fly-in / fly-out work schedules with some variations.

AREVA describes the current averaging of hours provision (section 9(1) of *The Labour Standards Act*) as bureaucratic and time consuming. In the event that the Northern Overtime Exemption is repealed – and no industry exemption extended to the uranium mining sector – AREVA proposes changes to make the averaging of hours option more flexible and responsive.

These suggestions include allowing a majority of employees to agree to a non-standard work schedule without the need for authorization from Saskatchewan Labour's Director of Labour Standards. In addition, AREVA wants averaging permits to be issued for periods longer than two years and removal of the ceiling on the number of employees covered by a permit.

(Production workers at uranium mines come under the Canada Labour Code. Under Part III of the Code, averaging permits are issued to accommodate a non-standard workweek. Federal permits require the approval of at least 70 per cent of affected employees.)

In the Saskatchewan Mining Association's submission to the Review, Executive Director Philip Reeves acknowledges that the Northern Overtime Exemption "allows for the potential of abuse as it could imply that employers are not required to pay overtime at all, which I gather is a problem with some of the local construction projects."

Saskatchewan Federation of Labour

Three labour organizations submitted briefs to the Review: the Regional Council of Carpenters, Drywall, Millwrights and Allied Workers, the Provincial Building & Construction Trades Council, and the Saskatchewan Federation of Labour (SFL).

The Federation reiterated its long-standing position calling for repeal of the Northern Overtime Exemption, a regulation it says perpetuates systemic racism.

In the view of SFL, the exemption sends Aboriginal workers the message that the province countenances a law that actively discriminates against them and that 'the gouging' of northern workers is a necessary part of doing business in Saskatchewan. Attaining the important goal of future development of the northern economy, the SFL said, depends on fair treatment of workers in the North.

Recognizing the unique work requirements of the North, the SFL told the Review that current provisions in *The Labour Standards Act* can readily accommodate non-standard work schedules. These provisions are sections 7 and 9 (compressed workweeks and averaging of hours permits).

Saskatchewan Provincial Building & Construction Trades Council

The Building Trades Council supports elimination of the exemption. The Council says growth and development have changed the northern economy since the implementation of the Northern Overtime Exemption in the 1950s. Its original purpose, to foster northern development, is now used to exploit northern workers, according to the Council.

The Council's submission contends that unionized contractors cannot compete in northern Saskatchewan against contractors who pay only straight time. Non-unionized contractors who wish to pay fair wages, and an overtime premium, also find themselves in a non-competitive position for northern projects. With the elimination of the Northern Overtime Exemption, union and non-union contractors will compete on a level playing field, the Council said.

With the exemption allowing wide latitude on the number of workday and workweek hours, the Building Trades Council raised concerns about workers' health and safety, where non-union workplaces face no financial incentive to avoid excessively long workdays.

The Building Trades Council believes an obligation to pay overtime in northern Saskatchewan will accelerate economic development and address the westward out-migration of workers.

"As industry expands into the north taking our natural resources we must not allow the people who work in the north to be taken advantage of by unscrupulous companies that care more about profits that workers." – Saskatchewan Building Trades Council submission to Northern Exemption Review

Regional Council of Carpenters, Drywall, Millwrights and Allied Workers

The Council describes the Northern Overtime Exemption as an unjust, unfair and unnecessary regulation that treats the North as a low wage ghetto. During a meeting with the Review on October 04, the Council said that northern (Aboriginal) workers will never enjoy the labour standards that protect workers in southern Saskatchewan while the exemption remains in place.

The submission also describes the Council's view that attracting more Aboriginal and northern youth to the apprenticeship system will help address labour shortages, but the exemption signals to these groups that their work is valued less since overtime hours do not result in premium pay.

The Council says contractors who pay only straight time in northern Saskatchewan hold a competitive advantage over unionized contractors. According to the Council, the absence of building trades unions in the North, especially construction, not only affects fair wage practices; it also undermines the effectiveness of Occupational Health committees and apprenticeship standards.

The Council recognizes the unique operating environment of the outfitting sector as well as the suitability of fly-in / fly-out shift arrangements commonly used in the resources sector. Each, according to the Council, can be treated under labour standards as a special case.

Canadian Federation of Independent Business (Saskatchewan)

The Canadian Federation of Independent Business (CFIB) corresponded with the Review to express support for retaining the Northern Overtime Exemption. The CFIB points out that its members in the North believe that this regulation permits work scheduling suitable for activities at remote locations, and that the flexibility of longer work shifts, accompanied by extended time off, helps attract and retain qualified workers and mitigates northern labour shortages. Eliminating the exemption, according to the CFIB, will make it difficult for northern businesses to hire workers willing to work in northern Saskatchewan. The CFIB did not request a meeting with the Review.

Saskatchewan Chamber of Commerce

Mineral resource development in northern Saskatchewan was the focus of the Chamber's brief to the Northern Overtime Exemption Review. The Chamber did not request a meeting with the Review.

Like many participants, the Chamber cited remoteness, weather, limited supply of skilled labour, and an under-developed infrastructure, as unique circumstances that necessitate flexible working schedules in northern Saskatchewan. Fly-in / fly-out shift arrangements, the Chamber said, are favoured by both workers and companies. Eliminating the exemption – and jeopardizing existing work schedules – would make worker recruitment in the North more difficult, according to the Chamber.

The Chamber agreed with the mining sector that reducing shifts from 12 to eight hours would raise labour and transportation costs and increase infrastructure costs such as dormitories at remote work sites.

While averaging of hours permits and other variances are presently available under *The Labour Standards Act*, the Chamber notes these provisions lack sufficient flexibility and long-term certainty needed by northern employers.

The membership of the Saskatchewan Chamber of Commerce passed the following motion supporting the Northern Overtime Exemption at its 2006 annual general meeting in North Battleford.

> "That the Government of Saskatchewan not remove the northern exemption for hours of work in the Labour Standards Regulations, 1995."

Saskatchewan Construction Association

The Review met with Saskatchewan Construction Association (SCA) president Michael Fougere in September 2006. Most general contractor members of SCA, he said, pay overtime in the

North. He also discussed the Northern Overtime Exemption with the Road Builders and Heavy Construction Association of Saskatchewan, who advised SCA that the exemption doesn't affect its members.

In the SCA submission to the Review (received in November), the organization expressed the opinion that a review of the exemption was warranted. Many SCA member companies are not significantly affected by the exemption in a material way.

The Association said that existing labour standards provisions for averaging of hours permits, or ministerial exemptions, are available options, especially for larger operations, that allow the continuation of non-standard work schedules in the North.

While the SCA believes repeal of the exemption will have no significant impact on its member companies, it cautioned the Review to take into account the significant concerns held by the Saskatchewan Chamber of Commerce and the Saskatchewan Mining Association.

Sid Matthews

On October 12, the Review met Sid Matthews, co-chairperson of the Construction Labour Relations Association of Saskatchewan Inc., to discuss his personal view of the Northern Overtime Exemption. Mr. Matthews said in his submission that the Review was "timely, if not overdue."

He suggested repealing the exemption and offering permits (averaging of hours) to affected operations that request a permit. This would send, he said, a signal to workplace parties at remote sites that their current work schedule arrangements can be accommodated.

Mr. Matthews would approve the granting of an automatic permit for a permanent worksite with a permanent workforce. But this may not be appropriate for new employers, Mr. Matthews said.

It's important, Mr. Matthews said, to acknowledge the unique attributes of northern workers by accommodating those who prefer extended workdays in exchange for longer periods of time off. Notwithstanding his personal support for elimination of the exemption, Mr. Matthews said its elimination will involve costs to some employers.

Kitsaki Management Limited Partnership
(Athabasca Catering and Canada North Environmental Services)

Kitsaki Management Limited Partnership is responsible for the Lac La Ronge Indian Band's for-profit economic development activities. Athabasca Catering and Canada North Environmental Services (Can North) are two of several Kitsaki business endeavours in the North.

The Review discussed the Northern Overtime Exemption twice with Kitsaki Management. (Kitsaki was also represented at the Review's meeting with the Saskatchewan Mining Association).) In a brief to the Review, Kitsaki declared its strong opposition to the elimination of

the Northern Overtime Exemption and its anticipated impact on Athabasca Catering and Canada North.

Athabasca Catering provides managerial, catering and housekeeping services at five uranium mine sites, employing about 400 people. Athabasca employees at three of the mine sites work under a collective agreement. Many employees work non-standard work schedules such as seven days on and seven days off, or 14 days on and 14 days off. The 'seven and seven' schedule involves an 11-hour day. An overtime premium of time and a half is paid for hours worked in excess of 11 hours and 77 hours. The same pay scale for Athabasca Catering staff, including overtime, is in place at the five mines, the Review was told.

CanNorth (Canada North Environmental Services) is a member of the Saskatchewan Environmental Industry and Managers Association (SEIMA). It provides a range of environmental consulting services including impact assessments and monitoring to the mining and other resource sectors.

CanNorth engages a northern workforce of between five to eight people who assist its professional and technical staff on northern field trips. Fieldwork often involves long workdays over a short period (typically 50 days with a workday of 11 hours) at remote sites as the seasons permit. A small portion of CanNorth's fieldwork is done outside of the Northern Overtime Exemption area. Kitsaki told the Review that the exemption gives CanNorth the work scheduling flexibility it needs without the bureaucracy and uncertainty associated with averaging of hours permits.

In its submission, Kitsaki Management says eliminating the Northern Overtime Exemption puts its Athabasca Catering operation at the risk of bankruptcy. The Review concludes this fear is mistakenly based on an assumption that a standard workweek (eight-hour workday and 40-hour workweek) would be imposed on the catering operations. Kitsaki also believes that qualifying for a labour standards averaging of hours permit to retain its current work schedules will be an administrative nightmare that is bureaucratic, cumbersome, and uncertain.

Eliminating the exemption would have no impact on Athabasca Catering's unionized employees at Key Lake, MacArthur River and MacLean Lake.

Athabasca Catering provides catering services at the Shore Gold Star Diamond Project near Fort a la Corne. This project is outside the Northern Overtime Exemption area and subject to sections 6 and 12 of *The Labour Standards Act.* Saskatchewan Labour granted Athabasca Catering an averaging of hours permit allowing a work schedule of seven working days, followed by seven days off (eleven hour shifts) at this site. As it does for its uranium mine catering staff, Athabasca pays overtime for hours worked beyond 77 hours at the Fort a la Corne site.

Athabasca Catering currently pays overtime and has experience with averaging of hours permits. The Review believes that averaging of hours permits allows Kitsaki to retain its current mine site work schedules with no interruption.

Saskatchewan Environmental Industry and Managers Association

Membership in the Saskatchewan Environmental Industry and Managers Association (SEIMA) is

diverse. The range of services offered by its 90 members (according to the 2006-2007 Directory and Buyers' Guide) includes laboratory, recycling and waste services, equipment supply – industrial services, education and training, and environmental consulting services. Of those members, about one-third undertake environmental assessment and monitoring field services around the province, including northern Saskatchewan. The natural resources sector and government are key clients for environmental companies.

The Northern Exemption Review met in October with SEIMA chairperson Jim Finnigan and received a written submission. SEIMA supports retention of the Northern Overtime Exemption.

Northern environmental consulting projects typically involve extensive travel time for professionals and technicians who journey from a southern head office location (for example, Saskatoon) to a remote and isolated northern site. Local northern employees are hired on a temporary basis to assist with the environmental project work.

The temporary northern workforce hired to assist at project sites perform various tasks. These range from labourer duties, providing safety and security (weather and wildlife) for southern employees, and sharing their intimate and practical knowledge of local northern eco-systems (project sites). Employees put in long workdays to complete fieldwork duties.

The Northern Overtime Exemption Review understands that other provinces – with Quebec being an exception – do not provide environmental contractors in northern or remote areas with hours of work and overtime exemptions. In the event the exemption is removed, SEIMA said it will seek an industry-wide exemption that allows work to be scheduled for up to 60 hours per week and 200 hours per month before attracting an overtime premium for excess hours. This is similar to a geological exploration exemption in the Alberta Employment Standards Code.

SEIMA says its members do not often use available averaging of hours permits and other labour standards variances. Mr. Finnigan told the Review that SEIMA members may be comfortable with these options. However, in correspondence (October 2006) from Bruce Wilson, Deputy Minister of Saskatchewan Industry and Resources, the Review was informed that environmental industry representatives believe averaging of hours permits do not meet the sector's flexibility needs.

The Review was told by SEIMA that government contracts specify that no overtime premium shall be paid on environmental consulting projects. Industry and Resources advised the Review that environmental companies provide services to resource companies and government under contracts specifying fixed hourly rates. The Review requested examples of such contract language. None were provided by SEIMA or Industry and Resources.

The Review met with KHS Environmental Management Group to discuss the exemption. KHS partner Don Hovdebo said that repeal of the exemption would have little material impact on the sector. Long workdays during field trips are commonplace and necessary, he said, but commonly offset through time in lieu arrangements. Competition is intense for skilled workers, Mr. Hovdebo said, and offering good working conditions is an important employee retention tool.

Athabasca Economic Development and Training Corporation Inc.

The Northern Exemption Review met twice with Athabasca Economic Development and Training Corporation Inc. (AEDTC) board chair Glen Strong. In conjunction with Review's scheduled town hall meeting in Stony Rapids, the Review and Mr. Strong discussed the exemption on September 06. Mr. Strong raised AEDTC's concerns about sectors such as outfitting. He recognized the North's skilled trades shortage and the need to pay competitive wages. If the exemption is eliminated, Mr. Strong said a reasonable transition period is needed and employers must be informed of their available options under *The Labour Standards Act.*

AEDTC general manager Geoff Gay joined his board chair for the Review's second meeting in Prince Albert on November 08. Prior to the meeting, the Review received the organization's submission that said the exemption is out-dated. AEDTC said it was taking a neutral stance on the exemption while awaiting information addressing its questions about averaging of hours permits, a transition period, and the effect on the trapping, fishing and outfitting sectors. Saskatchewan Labour prepared responses which the Review provided to AEDTC at the Prince Albert meeting.

Subsequent to the Prince Albert meeting, AEDTC, in its November 2006 newsletter, announced that it supported abolition of the exemption. The newsletter said the exemption is a "very outdated" policy that "creates a perception of inequality between the north and the south." Repealing the exemption regulation, the AEDTC newsletter said, "will be a positive benefit and it must be changed to reflect the present day realities and create equality with the rest of the province."

AEDTC noted that Saskatchewan labour standards currently allows non-standard workdays and workweeks in a variety of industries and occupations, by way of statutory, regulatory, and administrative exclusions.

Incorporated in 1999, AEDTC is a non-profit organization. It manages the Athabasca Basin Development Limited Partnership which holds ownership positions in several northern for-profit endeavours. Seven community partners comprise AEDTC.

Athabasca Economic Development and Training Corporation Inc.

Northern Settlement of Camsell Portage	Northern Hamlet of Stony Rapids
Northern Settlement of Uranium City	Black Lake First Nation
Northern Settlement of Wollaston Lake	Fond du La First Nation
Hatchet Lake First Nation	

Northern Exemption Review Recommendations

1 Eliminate sections 7(1) and 7(2) (d) of The Labour Standards Regulations, 1995 (Northern Exemption) without delay.

2 Establish a labour standards office in La Ronge with at least least two officers. The officers will provide public education on all aspects of labour standards to employers and employees. Expand staff duties to include monitoring and compliance responsibilities upon completion of an initial public education phase.

3 Treat fishers and trappers as primary producers (traditional family farm) under *The Labour Standards Act.*

4 Grant a province-wide regulatory exemption to sections 6 and 12 of *The Labour Standards Act* to outfitters.

5 Maintain and publicize existing *Labour Standards Act* provisions. Compressed workweeks, averaging of hours permits and other variances, provide sufficient flexibility to accommodate northern Saskatchewan's unique work scheduling needs. No further statutory or regulatory exemptions – occupational or sectoral – are required beyond those recommended above.

Discussion of Recommendations

1 Eliminate sections 7(1) and 7(2) (d) of the Labour Standards Regulations, 1995 (Northern Exemption) without delay.

Saskatchewan labour standards apply throughout the province. They include minimum wages, collection of unpaid wages, equal pay, leaves such as maternity, parental, adoption and bereavement, annual holidays, public holidays, termination, weekly day of rest, meal and rest breaks, and others. Various occupational and sectoral exclusions set out in *The Labour Standards Act* have province-wide application.

A unique exception to the universality of Saskatchewan labour standards is the geographic exclusion known as the Northern Overtime Exemption. This exemption nulls sections 6 and 12 of the Act for most provincially-regulated worksites in this part of Saskatchewan. (The Northern Overtime Exemption does not apply to Uranium City, La Ronge, and Creighton.)

At the time of its introduction (1950s), the northern resource economy was immature. Outside of Creighton, La Ronge, and Uranium City, many livelihoods relied on hunting, fishing and trapping. The northern economy has changed greatly since and will continue to do so.

The Northern Exemption Review visited Saskatchewan's northernmost communities to hear the views of northern residents. Stakeholder organizations also submitted briefs. Many held to their historic positions on the exemption.

But on balance, a shift in attitudes has occurred. Since the 1994-95 labour standards review, new organizations, such as New North and AEDTC, have formed and assumed prominent leadership roles in the North. Both endorse repeal of the exemption.

Although a number of Saskatchewan employer groups remain supportive of the exemption's existence, business spokespersons acknowledged to the Review that the exemption can and does give rise to undesirable consequences. One business group, once a vigourous defender of the exemption, now is neutral towards its continuation, insofar as it affects its membership.

Averaging of hours permits attract criticism from both unions and employers. Both workplace parties recognize that the averaging of hours permit system is a flexible *Labour Standards Act* option that can satisfy the North's unique work scheduling needs for most, if not all, employees and employers.

To my knowledge, my consultations gave many northern workers their first opportunity to voice their view on this issue. Northern workers overwhelmingly wish to be treated fairly and enjoy all the labour standards protections that are currently afforded to those working outside the Northern Overtime Exemption area. Through my review, their voices now join others who have promoted repeal of this regulation.

This is my over-arching reason for recommending repeal of the Northern Overtime Exemption; labour standards in the North must be aligned with the rest of the province. It is socially divisive and no longer acceptable to have a two-tiered structure that lets a northern worker legally be denied the standard workday of eight hours and a workweek of 40 hours, earn an overtime

premium of time and half for excess hours worked, and refuse unwanted overtime work. Eliminating the Northern Overtime Exemption will demonstrate that the toil of workers residing in the North is no less valued than the work of those "who come to the North" to earn a living.

The exemption is no longer a stimulus for northern development, if it ever was. The skills shortage is a special challenge. Northerners who obtain trade qualifications have little incentive to remain in the north when their training brings greater rewards elsewhere. For local communities and their economies, overtime earnings translate into more consumer spending that supports local commerce.

2 **Establish a labour standards office in La Ronge with at least least two officers. The officers will provide public education on all aspects of labour standards to employers and employees. Expand staff duties to include monitoring and compliance responsibilities upon completion of an initial public education phase.**

Workplaces in the Northern Overtime Exemption area will benefit from a transition period that allows both employers and employees to adapt to sections 6 and 12 of *The Labour Standards Act*, and other parts of the Act that permit a variety of modified workweeks that suit the scheduling needs of a northern workplace.

A public education program about labour standards designed for northern workplaces will foster a positive atmosphere for both employees and employers. Many employers and employees will be unfamiliar with provisions of *The Labour Standards Act*. Developing a comprehensive public education program is essential to minimize adjustment difficulties.

In addition, an education program will raise awareness of other labour standards obligations that the Review believes are not always followed. These infractions occur mainly from a lack of awareness, but sometimes, intentionally.

Initially, public education will be the main duties of the two officers, including visiting communities to host workshops. Program material should be provided in three languages: English, Cree and Dene. As the public education program advances, the officers should add monitoring and compliance responsibilities to their duties.

3 Treat fishers and trappers as primary producers under *The Labour Standards Act.*

The Northern Exemption Review was advised that these sectors are mainly small family operations or individuals. Section 6 (hours of work) and section 12 (right to refuse overtime) of *The Labour Standards Act* are not pertinent to these seasonal activities.

Individuals engaged in trapping and fishing should be treated under the Act in the same fashion as the traditional family farm.

4 Grant a province-wide regulatory exemption to sections 6 and 12 of *The Labour Standards Act* to outfitters.

Outfitting is one of Saskatchewan's most important tourism activities, mainly hosting fly-in guests from the United States and other countries. The outfitting season is brief with a 60-day season for birds and big game and 90 days for trophy fishing. The outfitters and their employees must maximize earnings within a short time frame.

The provinces of British Columbia and Ontario exempt – through a labour standards regulation – hunting and fishing guides from statutory hours of work and overtime provisions. In Ontario, guides are also exempt from daily, weekly and bi-weekly rest periods, in-between-shift rest periods, and paid public holidays.

Regulations in Manitoba and Alberta do not exempt hunting and fishing guides. In Manitoba, lodges can obtain averaging of hours permits that allow work schedules to accommodate the unique operations of camps. Alberta's outfitters use labour standards provisions such as overtime agreements (time in lieu) or compressed workweeks.

Outfitting camps in remote northern locations, in particular, would face operational challenges adopting a standard or modified work schedule. Many outfitters operate outside the Northern Overtime Exemption area where sections 6 and 12 of *The Labour Standards Act* apply. The Review is unable to report on the level of compliance by outfitters whose operations do not come under the Northern Overtime Exemption.

The Northern Exemption Review recommends that outfitting receive a general, province-wide exemption from sections 6 and 12 to recognize the sector's seasonal nature and its unique work and remuneration arrangements.

5 **Maintain and publicize existing *Labour Standards Act* provisions. Compressed workweeks, averaging of hours permits and other variances provide sufficient flexibility to accommodate northern Saskatchewan's unique work scheduling needs. No further statutory or regulatory exemptions – occupational or sectoral – are required beyond those recommended above.**

Options under the Saskatchewan *Labour Standards Act* currently allow modified work schedules. Three are especially suited for the North's unique work scheduling needs. These are the averaging of hours permits under section 7 (compressed workweek), section 9 (permits) and the weekly Day of Rest exemption set out in section 13.

Currently, Saskatchewan Labour issues about 600 averaging permits annually, affecting over 10,000 employees. Three sectors, construction, retail and manufacturing, use permits extensively. In contrast, only a few Day of Rest exemption applications are received. On average, about 25 are issued each year.

Most averaging of hours applications qualify for approval by Saskatchewan Labour. The Department's Labour Standards Branch will assist applicants who must modify an application to meet the criteria. Permits are issued promptly; on an expedited basis, if needed. If necessary, a permit can be retroactive. In the absence of a collective agreement, a simple majority of employee signatures must be obtained. Employee turnover does not affect the permit over its approved duration.

Numerous northern employers already operate under shift arrangements that meet averaging of hours criteria. Some already have experience with permits because they also have operations outside of the Northern Overtime Exemption area.

Some employers will be bound by contractual arrangements that may extend beyond the set date for compliance with sections 6 and 12 of *The Labour Standards Act*. This requires monitoring and may require attention on a case-by-case basis.

Appendix

News Release

May 5, 2006
Labour - 363

NORTHERN EXEMPTION – CONSULTATIONS BEGIN

Premier Lorne Calvert announced today that the government will embark on a consultation process to examine impacts of the overtime exemption that is currently in place for Northern Saskatchewan.

Premier Calvert appointed Regina MLA Ron Harper to lead the consultation process, which will include gathering input from various representatives of the north, including workers and business, First Nations and Métis leaders and community groups.

Harper will work in conjunction with the Departments of Labour, Northern Affairs and Industry and Resources.

"Mr. Harper is well suited to lead this important initiative," Calvert said. "His consultation abilities were soundly demonstrated in his efforts which effectively brought into place the recently announced tool tax credit for employed tradespeople. This analysis of the Northern Exemption will provide us with a better understanding of who is affected by the exemption and how that compares with Southern Saskatchewan. We will use that information to help frame our next steps."

"Working people, businesses and industry in Northern Saskatchewan are integral to our province's future," Harper said. "I look forward to undertaking these important consultations, gathering perspectives and providing recommendations to the government."

The Northern Exemption was enacted in 1953 to address the unique employment situation in Saskatchewan's North. The law exempts employees working north of Township 62, except La Ronge, Creighton, Uranium City and a 10-kilometre area surrounding each, from the hours of work and overtime provisions of The Labour Standards Act. The issue of the impacts of the overtime exemption was recently raised by the Saskatchewan Association of Northern Municipalities.

Consultations will begin in the coming weeks. A summary of the recommendations will be forwarded to the government this fall.

For More Information, Contact:

Natosha Lipinski
Labour
Regina
Phone: (306) 787-3716

July 5, 2006

Dear Sir or Madam:

In May of this year, the Premier announced public consultations into an important issue for northern workers and employers, the Northern Overtime Exemption. The Premier asked me to lead these consultations.

During August and September, I will visit northern Saskatchewan communities to hold public meetings and meet individual stakeholders. These meetings are an opportunity for everyone to come out and participate.

You can take part in the Northern Overtime Exemption consultations in many ways. You can express your views by attending one of the community public meetings. Stakeholders and individuals may also arrange to meet me separately for one-on-one discussions. A letter, e-mail, telephone call or a written submission from you is also welcome.

Along with this invitation to participate, I'm enclosing a "Northern Overtime Exemption" fact sheet. Additional information can also be found by visiting Northern Affairs' website at www.northern.gov.sk.ca and clicking on the Northern Overtime Exemption link. If you require other information, please contact me.

These consultations are your opportunity to outline your experiences with the Northern Overtime Exemption. I want to hear if you feel any changes are needed and how changes might be made. Sharing your experience and insight is important. Your views, and the views of others, will help me gauge the relevance of the Exemption to our province's northern economy.

These consultations are about listening. Input from everyone is important to help me gain an understanding of the Northern Overtime Exemption for my report to the Premier later this year.

I look forward to hearing from you during the consultations.

Sincerely yours,

Ron Harper
MLA, Regina Northeast

Enclosure

For further information or to participate in the consultation contact:
E-mail: northern.exemption@sna.gov.sk.ca
Phone: toll-free 1-866-225-2835
Mail: Northern Overtime Exemption
PO Box 5000 La Ronge SK S0J 1L0
www.northern.gov.sk.ca

Northern Overtime Exemption

The Northern Overtime Exemption is a regulation that exempts employees working north of Township 62 from the hours of work and overtime provisions of The Labour Standards Regulations, 1995. This exemption means that employees who work more than 40 hours in a week continue to be paid their regular hourly wage, instead of overtime rates, which are higher.

Most of Saskatchewan's north is affected by the Exemption. It applies to the area north of a line beginning approximately at Meadow Lake Provincial Park's southern boundary, eastward to the northern boundary of Prince Albert National Park, and ending at a point five miles north of Sturgeon Landing at the Manitoba-Saskatchewan border. The exemption does not affect the towns of Uranium City, La Ronge, Creighton and surrounding 10 km areas.

The exemption has been in place since 1953 and was originally created to address the unique working conditions in the North. In 1956, 36% of Saskatchewan's northern population lived in Creighton, Uranium City, and La Ronge. The exemption was intended to encourage business growth outside of these communities, where work was often seasonal, remote, and based on compressed workweeks.

Today, many northerners are unaffected by the exemption, either because they work in an industry that falls under federal jurisdiction (such as uranium mining) or overtime is addressed by a collective bargaining agreement. The Northern Overtime Exemption does not apply to sectors such as highway construction and logging. Estimates suggest about 4,000 northerners are affected by the Exemption.

Saskatchewan is the only Canadian jurisdiction with an exemption for overtime and hours of work based upon the geographic location of a worksite. The Premier has appointed Mr. Ron Harper, MLA for Regina Northeast, to consult with northern stakeholders and present a report to government on the Northern Overtime Exemption.

Points for Consideration:

- **How does the exemption affect you now?**
- **How would removal of the exemption affect you?**
- **What effect do you think removing the exemption would have on the broader northern economy?**
- **What action, if any, would you like the government to take? What options should the government consider?**

For further information or to participate in the consultation contact:
email: northern.exemption@sna.gov.sk.ca
phone: toll-free 1-866-225-2835
mail: Northern Overtime Exemption
PO BOX 5000 La Ronge SK S0J 1L0
www.northern.gov.sk.ca

Stakeholder Invitation List

A Kustiak Construction	Construction	La Ronge
A&L Transport		La Ronge
Al's Place	Tourism	Stony Rapids
Areva	Mining	Saskatoon
Athabasca Camps	Tourism	
Athabasca Development Corp	Business & Professional	Wollaston Lake
Athabasca Economic Development Corp (AEDTC)-RDC	Misc. Organizations	Stony Rapids
Athabasca Regional Health Authority	Public Sector	Black Lake
Athabask Development Corp		Wollaston Lake
Beaver River Community Futures	Business & Professional	Buffalo Narrows
Birch Narrows First Nation	First Nations	Turnor Lake
Black Lake Denesuline Nation	First Nations	Black Lake
Boart Longyear	Mining/Exploration	Saskatoon
Buffalo River Dene Nation	First Nations	Dillon
Buffalo Narrows Development Corp.	Business & Professional	Buffalo Narrows
Cameco	Mining	Saskatoon
Can Am Construction	Construction	Air Ronge
Can North	Business & Professional	La Ronge
Canadian Federation of Independent Business	Business & Professional	Regina
Canoe Lake First Nation	First Nations	Canoe Narrows
Caribou Creek Lodge	Tourism	Upper Fishing Lake
Central Cree Economic Development Corp - RDC	Misc. Organizations	Weyakawin
Claude Resources (Seabee)	Mining	Saskatoon
Clearwater Dene Nation	First Nations	La Loche
Construction Labour Relations Association of Saskatchewan	Construction	Regina
Council of Saskatchewan Forest Industries	Forestry	Saskatoon
Creighton Economic Development Corp - RDC	Misc. Organizations	Creighton
Creighton School Division	Public Sector	Creighton
Cumberland House Delta Outfitters	Tourism	Cumberland House
Durama	Mining/Exploration	La Ronge
English River First Nation	First Nations	Patuanak
Fond du Lac Denesuline Nation	First Nations	Fond du Lac
Graham Construction		Saskatoon
Hatchet Lake Denesuline Nation	First Nations	Wollaston Lake
Hatchet Lake Lodge		Wollaston Lake
Highrock Contracting		La Ronge
Horizons Unlimited/Churchill River Canoe Outfitters	Tourism	Missinipi
Ile-a-la-Crosse School Division		Ile-a-la Crosse
Internorth Enterprises	Construction	Buffalo Narrows
Izzy's Contracting	Construction	Buffalo Narrows
Jay's Transport	Transportation	La Ronge
Keewatin Yatthe Health District	Public Sector	
Kitsaki Management Limited Partnership		La Ronge
Knudsen Construction	Construction	La Ronge
La Ronge & District Chamber of Commerce	Business & Professional	La Ronge
Lac La Ronge Indian Band	First Nations	La Ronge
Major Drilling	Mining/Exploration	Flin Flon
Mamawetan Churchill River Health District		La Ronge
McKeen's Trucking	Construction	Flin Flon
Methy Construction		La Loche
Minor Bay Lodge & Outposts	Tourism	Wollaston Lake
Mistik Management	Forestry	Meadow Lake
Montreal Lake Cree Nation	First Nations	Montreal Lake
Mudjatik Thyssen Joint Venture	Mining	Regina
New North(Saskatchewan Association of Northern Municipalities)		La Ronge
Norsask Forest Products		Meadow Lake

North Central Helicopters	Transportation	La Ronge
North East Development Corp - RDC	**Misc. Organizations**	**Cumberland House**
North West Ventures	Misc. Organizations	Buffalo Narrows
Northern Bus Lines Ltd.	**Transportation**	**Creighton**
Northern Development Board Corp.	Misc. Organizations	La Ronge
Northern Enterprise Fund	**Business & Professional**	**Beauval**
Northern Explosives	Construction	La Ronge
Northern Labour Market Committee	**Misc. Organizations**	**La Ronge**
Northern Lights School Division	Public Sector	La Ronge
Northern Resource Trucking (NRT)		**Saskatoon**
Northern Saskatchewan Tourism Inc	Tourism	Prince Albert
Northlands College		**La Ronge**
Northwest Regional Development Council	Misc. Organizations	La Ronge
Patterson Mining Geophysical	**Mining/Exploration**	**La Ronge**
Peter Ballantyne Cree Nation	First Nations	Pelican Narrows
Pinehouse Co-operative		**Pinehouse**
Points Athabasca		
Points North Freight Forwarding	**Transportation**	**Points North**
Ridsdale Transport	Transportation	La Ronge
Road Builders & Heavy Construction Association of Saskatchewan	**Construction**	**Regina**
Robertson's Trading (mine catering)		La Ronge
Rocky View Ota	**Tourism**	**Denare Beach**
Sakitawak Development Corp	Business & Professional	Ile-a-la Cross
Saskatchewan Advanced Education and Employment	**Public Sector**	**Regina**
Saskatchewan Apprenticeship and Trades Certification Commission	Public Sector	Regina
Saskatchewan Building & Construction Trades Council	**Construction**	**Regina**
Saskatchewan Environment	Public Sector	Regina
Saskatchewan Industry and Resources	**Public Sector**	**Regina**
Saskatchewan Labour - Labour Standards Branch	Public Sector	Regina
Saskatchewan Northern Affairs	**Public Sector**	**Regina**
Saskatchewan Advanced Technology Association (SATA)	Business & Professional	Saskatoon
Saskatchewan Chamber of Commerce	**Business & Professional**	**Regina**
Saskatchewan Construction Association	Construction	Regina
Saskatchewan Environmental Industry Managers' Association	**Business & Professional**	**Regina**
Saskatchewan Federation of Labour	Labour Organizations	Regina
Saskatchewan Forest Centre	**Forestry**	**Prince Albert**
Saskatchewan Labour Force Development Board	Public Sector	Regina
Saskatchewan Mining Association	**Mining**	**Regina**
Saskatchewan Outfitters Association	Tourism	
Saskatchewan Tourism Education Council	**Tourism**	**Saskatoon**
Saskatchewan Wild Rice Council	Business & Professional	La Ronge
SaskPower		**Regina**
SaskTel	Public Sector	Regina
Scott's General Store/Stony Rapids Snowmobile		**Stony Rapids**
Selwyn Lake Lodge	Tourism	La Ronge
Snake Lake Construction		**Pinehouse / La Ronge**
Spectra Management Corp	Mining/Exploration	Air Ronge
Stanley Mission Co-operative	**Retail & Service**	**Stanley Mission**
The North West Company	Retail & Service	Winnipeg
Thompson's Camps	**Missinipi**	
Tourism Saskatchewan	Tourism	Saskatoon
Transwest Air		**La Ronge**
Tron Power	Mining	Patuanak
Tupper's Construction	**Construction**	**Beauval**
Visions North Community Futures	Business & Professional	La Ronge
White Water Inn Stony Rapids		
Wollaston Lake Lodge	Tourism	Wollaston Lake
Woodlands & Waterways - RDC	**Misc. Organizations**	**La Ronge**
Zelensky Brothers Sawmill		La Ronge

Northern Exemption Review - Consultation Calendar

	Town Hall Meetings	Stakeholder Meetings
August 08	La Loche	—
August 09	Beauval	—
August 10	Buffalo Narrows	—
August 29	Creighton / Denare Beach	—
August 30	Sandy Bay	—
August 30	Pelican Narrows	—
August 31	Pinehouse	—
		Harold Linklater, Chief
September 01		Peter Ballantyne Cree Nation La Ronge
September 01	—	New North Executive Committee - Prince Albert
September 05	Uranium City	—
September 05	Stony Rapids	—
September 06	Fond du Lac	—
		Glen Strong, Chairman
September 06		Athabasca Basin Development and Training Corporation Stony Rapids Black Lake First Nation
September 07	Wollaston (cancelled)	—
September 11	La Ronge	New North Al Loke, Executive Director
September 12		Buffalo River Band – Village of Dillon
September 12	Ile a la Crosse	—
September 13	Meadow Lake	Eric Sylvestre, Vice Chief Meadow Lake Tribal Council
September 14	Prince Albert	Saskatchewan Outfitters Association Hal Stupnikoff, Executive Director
September 20	Prince Albert	Kitsaki Management Ltd. Chief Tammy Cook-Searson, Lac La Ronge Indian Band and Russell Roberts, Chief Executive Officer
September 22	—	Saskatchewan Construction Association Michael Fougere, President Saskatchewan Mining Association
October 03	—	Philip L. Reeves, Executive Director In attendance: Alan Solheim, Director of Finance / Kitsaki

		Management; Al Riddell, VP, TRON Power Inc; Gavin Rans, Manager, Employer Relations and Labour Relations, Cameco Corporation; Greg Gabruch, MLT, counsel for Cameco Saskatchewan Federation of Labour
October 03	—	Larry Hubich, President Don Anderson, Executive Assistant United Brotherhood of Carpenters and Joiners (Local 1985)
October 04	—	Regina Kelvin Goebel, Carpenter Representative Barry Holma, Recruiter Saskatchewan Provincial Building and
October 05	—	Construction Trades Council Terry Parker, Business Manager Garry Kot, Secretary Sid Mathews
October 12	—	President Construction Labour Relations Association of Saskatchewan Inc. Regina Kitsaki Management Ltd.
October 13	—	CanNorth Environmental Services Saskatoon
October 19	—	Maclean Lake Uranium mine tour Meeting with (16) Athabasca Catering staff
October 23	—	Saskatchewan Outfitters Association Hal Stupnikoff, Executive Director
October 24	—	Jim Finnigan, Chairman Saskatchewan Association of Environmental Managers Association Al Loke, Executive Director / New North Saskatoon
November 01	—	Saskatchewan Environment and Resource Management Deputy Minister Alan Parkinson
November 06	—	Saskatchewan Industry & Resources Deputy Minister Bruce Wilson
November 08	—	Northern Labour Market Committee meeting Prince Albert
November 08	—	Athabasca Economic Development and Training Corporation Glen Strong, Chair Geoff Gay, Executive Director Prince Albert
November 08	—	Tom Laxdal, Director, Fire Operations Saskatchewan Environment & Resource Management Prince Albert
November 15	—	KHS Environmental Management Group Ltd. Prince Albert Don Hovdebo

Northern Exemption Review

Summary of Stakeholder Positions

Stakeholder	Retain	Repeal	Position
Northern Labour Market Committee		X	The Committee, at its June 2006 meeting, approved a motion that "the Northern Labour Market Committee support the elimination of the Northern Exemption and send a letter to Ron Harper and the Premier requesting that the Exemption be rescinded as soon as possible." Prior to passage of the motion, Ron Harper addressed the Committee and explained the mandate of the Northern Exemption Review.
Saskatchewan Mining Association Saskatoon Philip Reeves – Executive Director	X		In October 2006 correspondence to the Northern Exemption Review, the Saskatchewan Mining Association said it "would prefer that the Northern Exemption clause be left in the regulations." The SMA requests, in the event the Review recommends its elimination, that an exemption clause be added that covers all workers (miners, contractors and support staff) at remote northern mining projects.
Northern Development Board Corporation Dean Desjarlais – CEO		X	The Review received an email (October 26, 2006) from the Board reaffirming its position on the Northern Exemption Review, first set out in November 2005 correspondence to then Labour Minister Deb Higgins. In this correspondence the Northern Development Board recommended "rescinding of this policy in its entirety from the regulations."
Peter Ballantyne Cree Nation		X	In correspondence (February 2006) to Hon. Maynard Sonntag, the Peter Ballantyne Cree Nation stated that the Northern Exemption "discriminates against workers from the north." Chief Harold Linklater re-affirmed this position in a private meeting with the Northern Exemption Review.
NEW NORTH – Saskatchewan Association of Northern Communities		X	A resolution sponsored by Buffalo Narrows mayor Bobby Woods stating that "New North is to lobby the Minister of Labour to have the Northern Exemption on overtime time eliminated from the Provincial Labour Standard Regulation" was approved at the New North annual general meeting in September 2005. New North's motion 88-05 states "That we the membership support Resolution 3 to lobby for change in a Northern Labour Standards Act."
Northern Village of Pinehouse		X	On October 11, 2006, PInehouse village adopted the following motion: "That the Northern Village of Pinehouse has reviewed the Northern Overtime Exemption Policy and want it removed to accommodate the people of our northern communities."
Saskatchewan Federation of Labour Larry Hubich – President		X	In correspondence (October 19, 2006) to the Northern Exemption Review, the Federation reiterated its long-standing position, endorsed at convention, that the "government remove Regulation 7 (2) (d) from the labour standards regulation in the fall 2006 sitting of the legislature."

Saskatchewan Environmental Industry Managers Association (SEIMA) Jim Finnigan – Chair of SEIMA Digital Environment Saskatoon	X		In SEIMA's October 2006 submission to the Northern Exemption Review, the organization said that "the status quo appears to benefit most of the residents [of the north] and for those members [SEIMA] who will be impacted, the status quo is a desirable outcome of this review. ... Our members require consistent and fair labour regulations both in the north and south. The status quo, as discussed, is an acceptable outcome. If not the status quo, then a change in base rates for overtime without applying for individual exemptions. So a base exemption of 60 hours in a week or 200 hours in month would be required."
Saskatchewan Construction Association (SCA) Mike Fougere – President Regina	**Neutral**		In the SCA submission (November 27, 2006) to the Review, the organization reiterated its position that the exemption warrants the current review and that "many of our member companies are not significantly affected by the exemption in a material way." The Association suggested that present labour standards provisions for averaging of hours permits, or ministerial exemptions, are available options, especially for larger operations, to allow the continuation of non-standard work schedules in the north. SCA cautioned the Review to take into account the significant concerns held by the Saskatchewan Chamber of Commerce and the Saskatchewan Mining Association.
Sid Mathews – President Construction Labour Relations Association of Saskatchewan Inc. (personal opinion only)		X	In correspondence (October 2006) to the Review, Mr. Mathews expressed his personal view that "reconsideration of the exemption is timely, if not overdue. A combination of actions may best address the situation. I suggest that the overtime exemption be removed in combination with an averaging of hours provision, upon request, for remote operations north of township 62, which are staffed by a regional workforce. While I recognize that an averaging of hours provision currently exists, it is important to signal to employers and employees who work in remote areas that their current arrangement would be accommodated if they so wished."
Saskatchewan Regional Council of Carpenters, Drywall, Millwrights and Allied Workers		X	In a submission (October 04, 2006) to the Northern Exemption Review, the Council, characterizing the exemption as "unjust, unfair and unnecessary…strongly recommends that the Government of Saskatchewan abolish the Northern Exemption…from the Labour Standards Act."
Saskatchewan Provincial Building & Construction Trades Council		X	The Council, in its submission presented to the Review on October 05, 2006, "urges the Saskatchewan government to repeal Labour Standards Regulation 7 (2) (d) for the betterment of all the people of Saskatchewan."
AREVA Resources Canada Inc. Saskatoon Donald R. Ching – President & CEO	X		The Northern Exemption Review received correspondence (September 2006) from AREVA outlining its support for the Northern Overtime Exemption. AREVA recommends, in the event the Northern Exemption is repealed, that "provincially regulated employees employed at or in connection with Northern Uranium industry and/or uranium be exempted ... should the government choose to rescind the Northern Overtime Exemption and not exempt uranium mines and exploration, AREVA would recommend significant changes to the averaging permit system to make it more flexible and responsive."
Saskatchewan Outfitters Association Hal Stupnikoff – Executive Director Prince Albert	X		The Saskatchewan Outfitters Association, in meetings with the Northern Exemption Review, supports continuation of the Northern Exemption.
Minor Bay Lodge & Outposts Ltd Wollaston Lake Randy Duvell	X		In correspondence (September 28, 2006) to the Northern Exemption Review, this Lodge said that "the removal of Northern Exemption would exacerbate an already difficult operating environment for our industry [outfitting]…I would suggest the government examine the Northern Exemption on an industry by industry basis to ascertain what effects, if any, [of] the removal of exemption."

Canadian Federation of Independent Business – Saskatchewan Marilyn Braun-Pollon Director, Provincial Affairs	X		In CFIB Saskatchewan correspondence (September 2006), the Review was advised that CFIB "members believe this legislation is unique and is needed to help create a competitive environment for the Northern economy. CFIB therefore strongly recommends the provincial government retain the current Northern Overtime Exemption Regulati
Saskatchewan Chamber of Commerce Ralph Boychuk – President Regina	X		Chamber of Commerce members adopted, at its annual general meeting in May 2006, this resolution: "That the Government of Saskatchewan not remove the northern exemption for house of work in the Labour Standards Regulations, 1885." The Chamber's position was conveyed by letter to Labour Minister David Forbes. Later, the Chamber reiterated its position in a news release issued in September 2006. In addition, the Chamber states it does not believe averaging of hours is a workable option.
Kitsaki Management Limited Partnership La Ronge Indian Band Tammy Cook Searson – Chief Russell Roberts – President & CEO	X		Kitsaki Management, in correspondence (September 2006) to the Northern Exemption Review, states, "We strongly oppose the proposal to remove the overtime exemption in Northern Saskatchewan." Upon inquiring about the use of averaging of hours permits, Kitsaki concludes that administering "these arrangements (work shifts) under an averaging permit would be an administrative nightmare."
Eric Sylvestre – Vice Chief Meadow Lake Tribal Council		X	Vice Chief Sylvestre supports elimination of the Northern Exemption.
Athabasca Economic Development & Training Corporation Wollaston Lake Glen Strong – Chair of AEDTC		X	The AEDTC, in its November 2006 newsletter, announced that it supported abolition of the exemption. The newsletter said the exemption is a "very outdated" policy that "creates a perception of inequality between the north and the south." Repealing the exemption regulation, the AEDTC newsletter said, "will be a positive benefit and it must be changed to reflect the present day realities and create equality with the rest of the province."

Northern Exemption Review
Summary of Observations by Individuals
Submitted to Northern Exemption Website

Individuals	Retain	Repeal	Comments
Identity Withheld		X	Participant said the law is outdated and believes northern employers should pay overtime. Currently, this individual is employed in a union environment and not affected by the Exemption. In the past, this individual worked for a municipality and did not earn overtime. He now knows why, he said. The participant believes that if the Exemption is removed, any negative impact on Sandy Bay's few employers (school ,SaskPower, a store and a restaurant) would be outweighed by the benefit of workers gaining overtime pay. Much work in Sandy Bay is done by visiting contr
Identity Withheld		X	This participant, employed by a Saskatoon-based environmental consulting company, expressed appreciation that the Northern Exemption issue is under review, saying that this archaic policy should have been abolished years ago. As a firm believer that people should receive equal pay for equal work, this individual said there is no longer any economic reason to have this policy. Participant observed that many large successful companies currently operating in the north ignore the Exemption, even though they could benefit immensely from this policy. People and companies wanting to move into the north or develop a business would benefit more from grants and period tax exemptions than from denying their employees the money they have earned. Northerners have a right to be defensive and wary of new companies and people when policies like this are the norm. How can northerners be expected to feel like an equal and that their work is appreciated when they are forced to work under a racist and humiliating policy such as the Northern Overtime Exemption? This participant enjoys working in the north and would reside there. With policies like the Northern Exemption, options are limited and this individual will not accept employment with another northern company as long as it is in place. Although on a field work assignment near a town hall meeting location, this individual regretted being unable to participate.
Identity Withheld		X	Participant regretted being unable to attend a Northern Exemption town hall meeting and is pleased that the Exemption is being reviewed. The province-wide exemption (hours of work, overtime pay and right to refuse overtime hours) for logging was called an injustice that treats workers like second class citizens.
Identity Withheld		X	Participant said her husband works in the logging industry south of Township 62 (Big River). She feels any exemption is unfair to workers, regardless of geography or industry. Her husband often works 12-hour shifts and removing the logging exemption would have a large, positive impact on her family. She knows that removal of Northern Exemption would affect business' bottom line, but there is only one option in her mind: remove all exemptions.
Identity Withheld		X	Participant said the Northern Exemption should be changed because companies pay no overtime premium and take advantage of workers. This individual noted that shift workers on a seven-day, 11-hour shift do receive overtime, but some companies compel employees to work extra hours with no overtime pay.
Identity Withheld		X	Participant, who has worked in both southern and northern Saskatchewan, stated that the Northern Exemption abuses people. Times have changed, this participant said, and northern workers should treated the same as southern workers.

Identity Withheld		X	Participant wants the Northern Exemption to disappear. This participant notes that many people work long hours away from home and earn overtime. In addition, this individual said that long work shifts are physically demanding and statistically more dangerous.
Identity Withheld	X		In an email on August 08, 2006 to Northern Exemption Review website, a northern outfitting lodge said "It [Northern Exemption] helps us stay in business. We are only a seasonal fishing operation and are using local northerners … removal of the exemption … would drive costs up too high and price us out of the market - fishermen can go to Alaska and many other places for less money. … for seasonal workers, it would cut the number of jobs for northerners to very little. For a number of northerners it is the only work that they can get. They are able to get enough hours each season to draw unemployment insurance during the winter months. If we had to cut hours they would not be able to achieve the number of hours required. Leave [the exemption] as is. If it isn't broke why are you trying to fix it?"
Identity Withheld	X		In correspondence (September 15, 2006) with the Review, a northern retail company said, "Do nothing. Adding burden of overtime pay to northern businesses that often employ people on a daily basis will not benefit the fishing and hunting camps suffering from a greatly weakened U.S. dollar. It will not benefit the recent boom in mineral exploration currently taking place. It may do the opposite. [This retailer] fails to see how this will accomplish anything other than to increase the cost of doing business in northern Saskatchewan. With competitive pressures for labour in Alberta, a 'tight' labour market in northern Saskatchewan already ensures fair wages are paid to all that work here. Re-examine the exemption in another 10 years. That Saskatchewan is the last jurisdiction in Canada with an overtime exemption may be viewed as an advantage, not a disadvantage. "If it ain't broke, don't fix it."